



UNITED STATES ARMY

THE CHIEF OF STAFF

FEB 25 2005

The Honorable Ike Skelton
Ranking Member, Committee on Armed Services
United States House of Representatives
Washington, DC 20515-6035

Dear Representative Skelton:

Thank you for the opportunity to comment on the Army's unfunded requirements for fiscal year 2006. Your long-standing commitment to the superb men and women of our armed forces is deeply valued.

The Fiscal Year 2006 President's Budget Request supports the Army's transition to the Future Force and funds our top priorities. However, shortfalls tied to present-day operations do exist. We must continue to improve the survivability of our vehicles and aircraft. Additionally, our units returning from the harsh conditions of Afghanistan and Iraq must be reconstituted as quickly as possible, with the best and safest equipment available. At the same time, we must reshape the Army into a more modular, agile and rapidly deployable force that is better able to fulfill the needs of the combatant commanders.

The Army also would benefit from increased permissive authorities and relief from certain restrictive legislation. Expanding the Secretary of Defense general transfer authority, adjusting new-start notification regulations and raising reprogramming thresholds would help us respond to evolving threats in Iraq and Afghanistan and answer a greater range of immediate needs. Your assistance in obtaining these quick-reaction fiscal capabilities, without diminishing congressional oversight, would be very much appreciated.

Once again, I greatly appreciate your continued support of the United States Army and our outstanding Soldiers, their families and our civilians. Now, more than ever, they demonstrate every day their courage and commitment to serving our nation.

Sincerely,

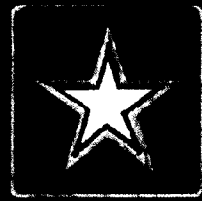
A handwritten signature in black ink, reading "Peter J. Schoomaker", is positioned below the word "Sincerely,".

Peter J. Schoomaker
General, United States Army

Enclosures



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DEPARTMENT OF THE ARMY
FY06 SHORTFALLS AND REQUESTED LEGISLATIVE AUTHORITIES
(DETAILED INFORMATION)
FEBRUARY 2005



An Army of One

		FY 2006 ARMY SHORTFALLS	
Category / Requirements	Shortfall	Appns	Description
	\$ M		
Family of Battle Command and Communication	183.0	OPA	Force XXI Battle Cmd Brigade and Below (FBCB2)
Family of Small Arms	443.0	WTCV	M16 rifle, M240 Medium Machine Gun, M4;M249 SAW Machine Gun; M107, Cal .50
Family of Night Vision	227.0	OPA	Night Vision, AN/PVS-6, and 7, AN/PAQ-4; Thermal Weapons Sight
Family of Radios	117.0	OPA	SINCGARS
Mounted Battle Command on the Move (MBCOTM)	30.0	OPA	Funding needed to preclude break in production and to meet immediate requirements for deploying and modularizing units. The \$30M OPA will accelerate HMMWV variant production, producing 18 systems to support 82nd ABN, 25th ID, 101st AASLT and 10th ID for FY 07 deployments and modularity.
Stryker Vehicles	544.0	WTCV	Provides for additional Stryker Brigade Combat Team.
BOS - Base Communications	21.2	OMA	Will improve: response times for repair services, support to existing equipment and installation of new base communications systems. Scheduled life-cycle maintenance of base communications hardware will be augmented to keep pace with industry changes.
BOS - Logistics Activities	87.3	OMA	Prevents migration of Sustainment monies necessary to provide minimal essential funding to BASOPS for logistics activities, such as transportation, supply and maintenance.
Depot Maintenance - Missiles	33.5	OMA	Restores overhaul of Hellfire missiles, to include ground communications systems, accessories and various components.
Facilities Sustainment	211.0	OMA	Would increase funding in this program from 92% to 95% of requirement, enabling the Army to achieve the OSD-mandated goal to fund Sustainment in FY06 at 95%. Sustainment funding shortfalls have a visible impact to Army installations and are felt by Soldiers and their families. Without this increase, the Army would continue to support its C-1 Soldier with C-3 facilities. Numerous sustainment projects would be delayed, to include improvements to barracks, maintenance facilities and administrative buildings.
Tactical Operations Centers	84.0	OPA	Procures Standardized Integrated Command and Post System (SICPS) for two divisions (division through battalion level).
RC Special Training	47.0	RPA	Funds unit sustainment training under train-alert-deploy-employ strategy.
Second Destination Transportation	33.7	OMA	Funds Second Destination Transportation, SDT Force Modernization, RECAP, War Reserves for ammo and non-ammo.

Category / Requirements	Snofall	Agps	Description
System Sustainment Technical Support (SSTS)	52.0	OMA	Funding is required for engineering support of Black Hawk, multi-system test equipment and modernization program, engineering support for the national maintenance work requirement standard, the Abrams tank, and other systems.
Barracks Projects Restoration	78.8	OMA	Funds three MCA projects in FY06. For MCNG, funds two to four projects scheduled for fiscal years 2006-2009, each of which otherwise would be delayed at least one year.
Lake City Ammo Modernization Plan	18.7		Funds first stages of modernization to reduce the risk of production loss in small-arms bullet manufacturing.
Radford Ammo Modernization Plan	40.0		Funds first stages of modernization to reduce the risk of production loss in acid concentration and nitrocellulose. Radford is the only North American producer; this funding is key to ensuring continuity of propellant manufacturing.
Increased Death Gratuity and SGLI Benefits	348.0	MPA	Emerging requirement to support new benefit levels
DOPMA Increase	12.8	MPA	Must fund to maintain force.
New AC Recruiting and Retention Initiatives	146.8	MPA OMA	Must fund to maintain force.
Recruiting	13.9	OMAR	Funds the Army Reserve's ability to use the full array of recruiting and retention tools authorized by the Congress. Addresses the increasingly demanding recruiting and retention needs of the Army Reserve.
Recruiting and Retention	147.0	OMNG	Funding supports advertising, expanding the number of uniformed recruiters and contractor recruiters.
Recruiting and Retention Incentives	68.0	RPA	Supports increased requirements based on new and expanded authorities under NDAA05.
Personnel Security Investigations (GPSI)	10.2	OMA	Funds additional positions to adjudicate security clearances for greater Army accessions in FY06 and beyond, which supports temporary end-strength increase. (Expect an additional 7,000 national agency checks with local agency checks per year for increased accessions.)
Combat Training Center Objective	40.1	RDTE	Supports modernization of the training centers at Fort Irwin and Fort Polk.
Instrumentation System Program			
Combat Training Center Objective	40.1	OPA	Funds replacement of obsolete instrumentation at Fort Irwin and Fort Polk training centers.
Instrumentation System Program			

Category/Requirements	Shortfall	Appns	Description
First Destination Transportation (AMMO)	2.0	AMMO	Supports initial delivery of increased ammunition procurements.
Ammunition Production Force Protection	11.9	AMMO	Funds increased security personnel requirements at ammunition plants.
Force Protection	27.8	OMAR	Meets mandated DoD requirements and maintains minimum Force Protection standards throughout our facilities worldwide.
Virtual Convoy Combat Trainer (VCCT)	7.7	OMA	Funds service contract for fielded VCCT, which supplies counter IED and ambush training.
Ammunition	91.8	OMA	Restores supply depot operations (SDO) for Army ammunition, including Korean retrograde (international agreement on prepo stocks), SDO for movement of AMMO as part of Golden Cargo Reservist exercise; and funding needed for priority 1 limited AMMO maintenance.
Base Operations Support (BOS)	1,213.4	OMA, OMAR, OMNG	Funds BOS programs that directly support readiness, such as transportation services, law enforcement, unaccompanied-personnel housing management, Army Community Services, child care, libraries, fitness centers and environmental programs.
Initial Entry Training	67.0	NGPA	Supports additional 5,223 seats at 122 days of training.
Initial Entry Training	8.4	OMA	Funds Basic Combat Training at TRADOC schools, building the base for directed end-strength increase.
Branch Officer Basic Course	22.2	RPA	Funds 2,300 students to attend required branch training.
Initial Entry Training	15.9	OMA	Funds One Station Unit Training at TRADOC schools, setting the base for directed end-strength increase.
Initial Entry Training	48.3	OMA	Funds Advanced Individual Training at TRADOC Schools, setting the base for directed end-strength increase.
MILES XXI Instrumentation	4.8	OPA	Upgrades Combat Training Center MILES.
NTC MOUT Instrumentation	2.5	OPA	Supports increased demand for common operating environment (COE) training, enabling review and application of lessons learned.
Battle Command Training Capability (BCTC)	3.9	OMA	Increases BCTC capability in Alaska needed to support modularity.
Intel Support to Tactical Operations	6.5	OMA	Supports SCI Tactical Backbone to COCOM "Trojan Classic."
Community Based Health Care Organization (CBCHO)	22.6	OMA	Support eight regional offices that assist in organizing wound soldiers care after return from theatre. Allows active, reserve, guard soldiers to receive care in their home state.
Health Care Assessments	5.6	OMA	Post deployment health care screening.

Category / Requirements	Shortfall	Appris	Description
Child Development Center-Fort Carson	7.5	MCA	Provides space for 195 school age children, for before and after school care during the duty day, summer, non-school day, and holiday periods. Required to meet current Army standards for Child Development Centers. Supports increased population due to stationing of 2nd Bde 2nd ID.
Barracks Complex-Fort Lewis	15.5	MCA	Provide permanent training site for ROTC Advanced Camp, reserve, national guard, and active units. Provide housing, dining, and admin space for 4,224 cadets and 1,850 cadre. Moves Cadets out of WWII wood facilities and improve gender integration.
Barracks-Fort Leonard Wood	14.8	MCA	Provide living conditions that meet current Army standards for soldiers. The intended utilization is 126 Junior Enlisted, and 18 Sergeants. Critical to soldier Well-Being/Quality of Life.
World-Wide Various	100	MCA	Prepares construction sites for future modular units at various locations.
Total	4778.2		

DOD TRANSFER AUTHORITY

This proposal increases the amount of funds DOD can transfer among the Services without Congressional approval. The current transfer limit would be increased to 3% of the DOD approved budget. This will allow DOD the flexibility to reprogram current year (FY05) dollars to the Service or Services currently executing the War.

NEW STARTS

Under current policy, new program starts can not exceed \$2.0 million in the first year and require a 30-day Congressional notification period prior to implementing. This proposal would allow program new starts up to \$20 million with a 10-days Congressional notification. The Army has fielded several off the shelf programs through our Rapid Equipping Force that have made a significant impact on the effort. Many of these systems exceeded the \$2.0 million threshold, and were delayed considerably due to the 30 –day notification period. Therefore, we propose the threshold be increased to \$20 million and the 30-day notification period be reduced to 10-days.

REPROGRAMMING GUIDANCE

The temporary lifting of thresholds established in 1981, raising to \$10 million for RDTE and \$20 million for Procurement has afforded the Department and the Services with greater flexibility; to better responds to the demands of the Global War on Terrorism and other emerging threats, the thresholds should be temporarily raised for fiscal year 2006 increased, and should be raised to \$20 million for RDTE and \$50 million for Procurement appropriations.

These limitations were raised for fiscal years 2003 and 2004 to the present levels of \$20,000,000 for Procurement and \$10,000,000 for Research, Development, Test and Evaluation appropriations.

Recommend temporarily increasing these below threshold reprogramming ceilings for fiscal year 2006. Changes to reprogramming thresholds of funds exceed the following thresholds:

- An increase of \$50,000,000 for appropriations for a Procurement line item.
- An increase of \$20,000,000 for appropriations for a Research, Development, Test and Evaluation program element.